

MINUTES SUMMARY OF THE
NATIONAL OFFSHORE SAFETY ADVISORY COMMITTEE
MEETING HELD OCTOBER 28, 2004

A meeting of the National Offshore Safety Advisory Committee (NOSAC) was held on October 28, 2004 in the Music Room of the Hotel Galvez, 2024 Seawall Blvd., Galveston, Texas. The meeting began at 9:00 a.m. and ended at approximately 3:00 p.m. The meeting was videotaped for the permanent record, and was announced in the Federal Register on Friday, September 24, 2004 (FR Volume 69, Number 185, Pg. 57337).

Representing the Coast Guard (USCG) were Commander John Cushing, Executive Director of NOSAC, and Mr. James Magill, Assistant to the Executive Director.

The following Committee members were present:

Mr. Larry Rigdon	Mr. Kenneth Dawson
Mr. Chuck Bedell	Mr. John Ryan, III
Ms. Robin Minturn	Mr. Eugene Facey
Mr. Roland Rodney	Mr. Doug Devoy
Mr. Paul Liberato	Mr. Jack Laborde
Mr. André Galerne	Mr. Mark Witten

The following Committee members were absent:

Mr. David Geer	Mr. Ned Stevenson
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OPENING REMARKS

Chairman Ryan called the meeting to order and then asked Commander Ed Parsons, Commanding Officer of the Galveston Marine Safety Unit (MSU) to say a few words of welcome.

Commander Parsons welcomed everyone to Galveston. He explained that Captain Kaser, Commanding Officer of the Houston-Galveston Marine Safety Office, would be along later to address the meeting. Commander Parsons gave a description of the work the Galveston MSU was presently involved in including the offshore related work.

Assistant Executive Director, Mr. Jim Magill, made the usual routine meeting announcements. He thanked CAPT Kaser, CDR Parsons and CDR Hawes of the Houston/Galveston MSO for being host for the day and in helping out in the preparations for the meeting; and a special thanks to CWO Tony Pesek of Galveston MSU. He then introduced Commander John Cushing, the new Executive Director of NOSAC.

Commander Cushing gave the Coast Guard's opening remarks. He said he had taken over as Executive Director of NOSAC from CAPT Dave Scott. Due to some personnel changes, CAPT Scott was assigned responsibility for several other advisory committees. So to reduce the burden on CAPT Scott the Executive Director responsibilities of NOSAC was assigned to CDR Cushing. CDR Cushing talked about his previous Coast Guard assignments, pointing out that he had gained offshore experience having spent four years in New Orleans in the Eighth District involved mostly in offshore activities. He said he was delighted to be the NOSAC Executive Director and was looking forward to working with the committee. CDR Cushing said that he was serving another role today, that of the NOSAC sponsor, on behalf of RADM Thomas Gilmour, the Coast Guard's Assistant Commandant for Marine Safety, Security and Environmental Protection. Due to other commitments, RADM Gilmour was unable to attend the meeting, but he asked that his regrets be conveyed to the attendees. And while he can't be present, RADM Gilmour indicated that he is looking forward to seeing everyone at the Spring-2005 meeting in Washington.

CDR Cushing gave a brief status report on the approval of the NOSAC slates. He said that the January 2004 slate had three expired positions: offshore operations, pipelaying services, and diving services. Unfortunately this slate had not been approved and was at the Department of Homeland Security for approval. Hopefully they will do so in time to send out the appointment letters before the next NOSAC meeting in the spring of 2005. He thanked those committee members whose terms had expired, for continuing to serve on the committee until a new slate was approved. CDR Cushing said that five positions would expire on January 2005: offshore drilling, offshore supply vessel services, safety and training, offshore production, and environmental interests. A good pool of candidates had been received for this slate, from which a selection would shortly be made and then the package would be forwarded to the Department of Homeland Security for approval.

CDR Cushing reported that he had received approval of the Charter, and it has been approved for another two years until October 2006.

He then gave an update on some general areas of Coast Guard work – implementation of the vessel and offshore security regulations, the process that began in the summer of 2004 of creating new Coast Guard Sector Commands, and the installation of automatic identification systems (AIS) aboard ships.

The Executive Director concluded his remarks by encouraging everyone to participate in the meeting discussions, to ask questions of the speakers and to offer their insight on the various issues.

Chairman Ryan gave his opening remarks. He joined Commander Parsons in welcoming everyone to Galveston and the fall meeting of NOSAC. As is customary he had the Committee and audience introduce themselves.

Chairman Ryan talked about the revision to the charter that CDR Cushing reported had been approved by the Department of Homeland Security. He explained that the only two changes had been: 1) deletion of the position for the Department of Transportation and; 2) addition of a position for a deepwater ports member. Explanation of the changes was that the Coast Guard is no longer under the Department of Transportation, and a deepwater ports position was added to address the growing importance of LNG activities.

Chairman Ryan then pointed out some recent items of general offshore interest: Miss Margaret McMillan, a past member of NOSAC, was inducted into the Offshore Energy Center's "Hall of

Fame” for her lifelong work on offshore safety and survival training; a scholarship has been set up at the University of Southwestern Louisiana in Miss McMillan’s name as a tribute to her long and prestigious work in the field of offshore safety and survival training; offshore activities in Trinidad had become very active; a group of major oil companies had a workshop to standardize acceptance standards for Third Party Contractors; consolidation and layoffs still continues by offshore industry companies; hurricane IVAN and others had racked havoc to offshore installations in the Gulf of Mexico.

SUBCOMMITTEE REPORTS

IMO/ISO/ICAO Issues Subcommittee: Mr. Spackman in his usual proficient way gave a very informative report on the matters discussed at various IMO/ISO/ICAO Committee and Subcommittee meetings that had taken place recently. He prepared a comprehensive handout (Attachment 1) that he had sent to the Committee by e-mail and made available to the public as handouts at the meeting. Mr. Spackman highlighted some important items in his report. Of particular interest to MODU owners were: the Consolidation of ILO Maritime Labor Standards; International Civil Aviation Organization (ICAO) review and update of Annex 14 – Aerodromes, Volume II – Heliports; Design & Equipment (D&E) Subcommittee plan for measures to prevent accidents on lifeboats; Marine Environmental Protection Committee (MEPC) Annex VI - Air Pollution Rules for ships and MODUs which come into force on 19 May 2005; Subcommittee on Stability and Load Lines and Fishing Vessel Safety (SLF) review of the Intact Stability Code. Mr. Spackman concluded by briefly commented on offshore related documents recently issued by other associations such as the International Association of Drilling Contractors (IADC), International Association of Oil and Gas Producers (OGP), International Association of Classification Societies, the activities of the International Organization for Standardization (ISO) and various other private sector associations.

Mr. Bedell and Magill congratulated Mr. Spackman for the outstanding report he prepares for each NOSAC meeting. Mr. Magill provided an update along with a handout he prepared entitled “IMO Upcoming Meetings on Offshore Related Topics” (Attachment 2) which he made available to the committee and public. He briefly commented on the upcoming meetings giving the dates and locations of future IMO meetings. He also included as part of the list, the Coast Guard representatives for each particular IMO Sub-committee and their contact information.

Liftboat Subcommittee: Mr. Paul Liberato, subcommittee chairman, gave this report. He gave a brief history of the workings of the first Liftboat Subcommittee. After completing the work in the task statement and submitting its findings/recommendations to the full committee and the Coast Guard, the first liftboat subcommittee was dissolved. To distinguish between the first subcommittee and the newly reconvened one, Mr. Liberato named them “Liftboat I” and “Liftboat II”. Mr. Liberato reported that at the last NOSAC meeting on April 1, 2004, Liftboat II was formed and he was elected chairman and Mr. Doug Devoy was elected vice chairman. No new Task Statement was needed as the only purpose of Liftboat II was to review the “Liftboat Training Outline” produced by the “Offshore Marine Service Association” (OMSA). Mr. Ken Parris of OMSA had given a presentation on the Liftboat Training Outline at the April 1, 2004 NOSAC meeting. Mr. Paul Liberato reported that the first meeting of Liftboat II subcommittee

was held on 27 October 2004, at the Hotel Galvez. The meeting was well attended by the major liftboat owners and operators, as well as technical designers. The committee met for about three hours with a lot of spirited discussion from members and the public. Chairman Liberato commended vice chairman Devoy for all the work he had done in connection with Liftboat II. Chairman Liberato read a letter from the subcommittee (Attachment 3) which *inter alia*, stated that the subcommittee had completed review of the OMSA Liftboat Training Outline and felt confident it provided a reasonable outline to address the problems mariners faced with respect to liftboat service time underway and elevated for licensing purposes.

Chairman Ryan made a motion that NOSAC accept and endorse the Liftboat subcommittee letter on liftboat training, and that mariners should be allowed 1-for-1 sea time for all time spent onboard liftboats including time in the elevated mode. The motion was seconded and passed unanimously.

Mr. Wells of OMSA commented on the development of the Liftboat Training Outline. He said that it was important that paths must be made available for liftboat mariners to qualify for a special (Liftboat only) license. Those mariners, who complete the Liftboat Training Outline, should be allowed 1-for-1 sea time for all time spent onboard liftboats including time in the elevated mode.

OTHER BUSINESS

Presentation on damage caused by hurricane “IVAN” on GOM facilities: Mr. David Moore of MMS gave this presentation. He prepared a handout (Attachment 4) that he made available to the public at the meeting. The handout listed the MMS websites, various rules and regulations on hurricane operational preparation and post-hurricane reporting. He said that the level of damage caused by IVAN caught a lot of the industry people by surprise; not just short term but long term damage. Mr. Moore gave a general description of MMS’s pre-hurricane and post-hurricane requirements. In particular he mentioned “Form 132” on evacuation and production curtailment statistics report that must be completed and sent in to MMS if any platform was shut-in or evacuations occurred. MMS uses this form to share information with the Coast Guard and other interested parties on hurricane damage, oil spills and other affects. Mr. Moore gave some preliminary statistics on the damage caused by IVAN to platforms and pipelines. He said that a major problem was the damage to pipelines caused by underwater mud slides. Of significant importance is the fact that about 25% of offshore oil and 12% of offshore gas production was shut-in as a result of damage caused by IVAN. Mr. Moore said that it was estimated to take about six months to repair pipelines and platforms to get production back to 96% of pre-hurricane levels. He explained that the damage statistics shown in the websites was still preliminary and it would probably be six months before the full picture was complete.

Chairman Ryan and Mr. Magill asked if there were any “lessons learned” from hurricane Ivan statistics that could be used in the future to minimize hurricane damage and effects.

Mr. Moore said that the pipeline damage caused by mud slides was indeed something that must be reviewed and some studies should be done to see what can be done to minimize pipeline damage in the future.

Mr. Magill pointed out that while there was significant platform and pipeline damage caused by IVAN, no lives were lost. He said the Coast Guard's "Emergency Evacuation Plan" regulations have played a big part in this result.

Vice chairman Bedell and Mr. Witten commented on the positive outcome due to industry and regulatory precautions that minimized IVAN's effects; no lives lost and no major oil spills.

Status reports on Inspection by MMS on behalf of USCG of OCS Fixed Facilities: Mr. David Moore reported on behalf of MMS. He said that the inspection process had been in effect for about two years, so it was now well into the implementation stage, and could be considered in a routine stage of operations. Mr. Moore gave some inspection statistics for the period "October 1, 2003 to March 31, 2004". During this period, MMS conducted 1962 inspections, 603 on manned and 1359 on unmanned facilities; 90 of the 1962 inspections were full inspections. 94.3% of the facilities were in full compliance, which compared to a 94.2% full compliance to the previous 6-month inspection. 162 Incidents of Non Compliance (INCs) were issued to the 5.7% platforms that were not in compliance; a relatively small number. Mr. Moore concluded that since the full compliance percentage was basically the same for the last year, this showed the inspection process was stabilized.

Subchapter N (33 CFR Subchapter N) Status Report: Mr. James Magill, Project Manager for this rulemaking on "OCS Activities", gave this report. He said that work had been progressing on Sub N since the last NOSAC meeting but unfortunately the Project Council had recently been hospitalized with a heart attack and the progress was halted. He expressed hope that the Project Council would have a full recovery and get back to working on Sub N soon.

Status of Subchapter NN (33 CFR Subchapter NN), Deepwater Ports Rules, and status of license submissions for LNG Offshore Deepwater Ports: Mr. James Magill gave this report on behalf of Mr. Mark Prescott, Chief of the newly established Deepwater Ports Division (G-MSO-5). He prepared a handout (Attachment 5) that he made available to the public at the meeting. He described the background and history of the Deepwater Ports Act (DWPA) of 1974, the Deepwater Port Modernization Act of 1996 and the Maritime Transportation Security Act of 2002 that contained a rider adding natural gas to the DWPA. Mr. Magill reported that Sub NN Temporary Interim Rule (TIR) was published in the Federal Register on Tuesday, January 6, 2004 and the comment period closed on July 5, 2004. Nine comments letters were submitted to the docket including one from MMS and one from API. The TIR is in effect until October 2006. Eight deepwater port license applications had been received by the Coast Guard to date for the construction of natural gas deepwater ports. Mr. Magill said that the status of LNG Deepwater Ports License Applications was available to the public on the Coast Guard's "News and Information" website which is updated monthly.

<https://www.piersystem.com/external/index.cfm?cid=786>

Offshore Helidecks – new and revised API and ICAO Standards: Mr. Bill Hedrick of Rowan Companies gave a very comprehensive presentation on this subject. He explained in detail the controversial issue of the revision to ICAO's Annex 14. This revision puts ICAO at

odds with the Coast Guard, U.S. offshore industry and possibly FAA. The main issue concerns the size of helidecks and ICAO's position requiring one large size; which is contrary to the IMO 2-tier size requirements for harsh vs. non-harsh environments. Mr. Hedrick pointed out a Coast Guard study on offshore helicopter accidents that showed over a 20-year period the size of the helideck was not a factor in any of the accidents.

Mr. Hedrick discussed the work being done by two API working groups on helideck "recommended practices" (RPs). The first group is revising API RP2L, "Recommended Practice for Planning, Designing, and Constructing Helidecks", and the second group is drafting the new API RP 2L1, "Inspection, Maintenance and Management of Offshore Helidecks". He said that the working groups hoped to have both of these tasks completed and the RPs on the street by June 2005.

NEW DISCUSSION ITEMS

SOLAS compliance for foreign operation of U.S. flagged OSVs including Liftboats: Mr. Ken Wells, president of the Offshore Marine Service Association (OMSA) and LCDR Eric Walters of the Coast Guard gave presentations on this subject. Mr. Wells gave some history and background on the OSV SOLAS compliance issue. He explained the concept of the "foreign domestic voyage" and why the industry believes it should still be recognized by the Coast Guard. For about two decades the Coast Guard has allowed U.S. flagged OSVs to operate in foreign waters without SOLAS certificates, but now SOLAS certification will be required. Mr. Wells said this would involve about 100 U.S. flagged OSVs which includes some liftboats.

Mr. Mark Sales of Tidewater Inc., gave a company perspective on the problems the SOLAS compliance issue will cause the OSV owners.

LCDR Walters gave the Coast Guard's view of the SOLAS compliance issue. He congratulated Mr. Wells on his presentation and in general agreed with Mr. Wells. He said that it was security, Port State and safety issues that caused the Coast Guard to revisit its policy on SOLAS applicability for foreign-domestic voyages. LCDR Walters said that it was a complex controversial issue and the Coast Guard is working together with the industry to solve the problem. He said that the solution for liftboats was probably the easiest, but that the solution for OSVs and crew boats would take more time.

Mr. Wells asked that a NOSAC subcommittee be formed to work on the issue. He gave a hand written draft of a Task Statement (TS) to chairman Ryan for use by the subcommittee.

Chairman Ryan said it would be best to have Mr. Wells and Mr. Magill, in the next few days, to formally draft the TS. Mr. Magill could e-mail the draft TS to members and they could vote by e-mail on whether to form a subcommittee. This would give the committee some time to review the TS and make any necessary revisions.

Status of revision to IMO Guidelines for Design and Construction of OSVs: Mr. Magill gave this presentation. He prepared a handout (Attachment 6) that he made available to the public at the meeting. Mr. Paul Cojeen, Chief of the Coast Guard's Naval Architecture Division (G-MSE-2) had made a first presentation on this subject at the spring NOSAC meeting. Mr.

Magill gave some background on the issue and then updated the committee on what happened at 47th session of the IMO Subcommittee on Stability and Load Lines and Fishing Vessel Safety (SLF 47). He said there were two papers submitted to SLF 47 by Australia. The first one proposed to eliminate redundant text, update references, and move the intact stability part to the IMO “Intact Stability Code”. The second Australian paper proposed to revise the damaged stability provisions to be two-compartment flooding. Mr. Magill said that the U.S. delegation at SLF 47 in general agreed with the first paper by not with the second paper. He said that the revisions to the IMO OSV Guidelines were expected to be completed at SLF 48 in September 2005.

Presentation on Lifesaving Equipment for Offshore Supply Vessels: Mr. Block made some introductory comments before introducing Mr. Steve Huttman of G & H Towing Company, who gave the presentation. Mr. Block commented from a handout (Attachment 7) which he made available to the public at the meeting. The handout paper, GCMA Report #R-354, Revision 1, “Lifesaving Issues for Lower-Level Mariners: A Direct Appeal to Congress”, was also distributed at the Towing Safety Advisory Committee (TSAC) meeting. Mr. Block emphasized that it was important to provide, for all persons onboard, sufficient lifesaving craft that prevents immersion in the water.

Mr. Huttman gave a very informative presentation on the new lifesaving equipment and technology available today for use on OSVs. He used a Power Point slide presentation to show statistics of crew fatalities and illustrate the advantages of new technology lifesaving equipment as compared to old equipment. Mr. Huttman stressed that in order to allow the use of new technology lifesaving equipment, the Coast Guard should change to a performance-based system for regulations instead of the current design-based system.

PUBLIC COMMENT

Mr. David Moore: Mr. Moore commented on an issue being addressed at the “State of the Oceans Commission” policy committee. He said he was a member of the “Maritime Transportation” working group of this committee. The issue concerned a recommendation from the working group to study the problem of the increasing probability of vessels colliding with OCS facilities and deepwater ports. He asked if NOSAC would be interested in forming a subcommittee to study the issue.

Mr. Witten commented that he thought it was beyond the scope of this advisory committee.

Mr. Magill referred to the work done by the NOSAC Subcommittee on Collision Avoidance. This subcommittee’s final report contained some great recommendations on collision avoidance. He suggested that Mr. Moore should provide this report to the Maritime Transportation working group.

Mr. Witten said that NOSAC Collision Avoidance subcommittee put tremendous resources into the report and any new subcommittee work would just be repetitive and be an unnecessary drain on industry resources.

NEXT MEETING/ADMINISTRATIVE ITEMS

Date/Location for Next Meeting: The next NOSAC meeting is scheduled for April 5, 2005, in the Coast Guard Headquarters Bldg, Room 2415, 2100 Second St., SW, Washington DC.

Summary of Action Items:

ITEM

BY

1. Complete Task Statement on “SOLAS Application for Offshore Support Vessels” and forward to Mr. Magill Mr. Wells
2. E-mail Task Statement on “SOLAS Application for Offshore Support Vessels” to NOSAC members Mr. Magill

John M. Cushing, Commander, USCG
Executive Director

Mr. John Ryan, III
Chairman